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United States Senate

COMMITTEES

BANKING, HOUSING, AND
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COMMERCE, SCIENCE, AND
TRANSPORTATION

HOMELAND SECURITY AND
GOVERNMENTAL AFFAIRS

VETERANS' AFFAIRS

SPECIAL COMMITTEE ON AGING

July 20, 2020

Dear Leaders McConnell and Schumer:

As the United States Senate prepares to negotiate the next comprehensive COVID-19 relief package, I am writing to share some key priorities for the State of Arizona. Our public health and the health of our economy are inseparable; economic security for hardworking Arizonans can only be achieved with comprehensive and effective management of the SARS-CoV-2 health pandemic.

Expanding Health Care Capacity to Fight COVID-19

Arizona is experiencing one of the worst outbreaks in the country. I am deeply alarmed by the rising number of cases, hospitalizations, and death rates in my state. Arizona hospitals have been directed to implement crisis standards of care as the number of severely-ill COVID patients has impacted their ability to serve their communities. Our nursing homes and assisted living communities that care for vulnerable Arizonans continue to be under-tested and under-resourced. Critical health providers such as our community health centers and rural hospitals face financial challenges that could lead to permanent closures. Action is needed now in Arizona and across the country to ensure that our hospitals and care facilities will not only survive the immediate public health crisis, but the longer recovery ahead.

States like Arizona need an immediate influx of federal resources to combat COVID outbreaks.

The next package must provide hard-hit states with more:

- COVID testing – blitzes to address the immediate surge in community spread, and more sustainable solutions that build up testing capacity in our community health centers, universities, and senior care facilities.
- Lab capacity and point-of-care tests – to help decrease the amount of time needed to process a test result, which can often be delayed by weeks. The resulting bottleneck harms the effectiveness of contact tracing efforts and therefore our ability to reduce community spread. More investments must be made towards point-of-care tests that can be used to quickly test a population in a variety of settings, including in congregate settings like schools and nursing homes, that must be tested frequently.
- Personal protective equipment (PPE) – this includes additional supplies from the Strategic National Stockpile, as well as incentives for supporting domestic supply chains where possible. We must support the universities, labs, and manufacturers who have switched their production lines to be a part of the COVID-19 response.
- Statewide contact tracing initiatives – that are timely and enable smaller clusters to be quickly identified, isolated, and tested to reduce spread. There must be partnerships

between county health departments, universities, and community nonprofits that can sustain this work beyond COVID-19.

Protecting Jobs and Supporting Employers

The Senate must continue to strengthen the Paycheck Protection Program (PPP) and other programs that support the small business owners who have been hardest-hit in Arizona. I support efforts to authorize another round of PPP applications to distribute remaining funds, and provide relief to the 501(c)6 organizations that have worked throughout the pandemic to serve critical businesses, such as our local tourism boards, local chambers, and other professional organizations representing health care and essential industries. I have also introduced or supported the following proposals:

- Paycheck Protection Small Business Forgiveness Act to provide for the full forgiveness of all PPP loans for which the principal amount was not greater than \$150,000. This bill works to relieve paperwork burdens, continues to provide avenues for enforcement action against those engaged in fraud, and allows the SBA to focus their compliance resources on higher value loans.
- RESTAURANTS Act to create the Restaurant Revitalization Fund grant program and authorize \$120 billion in structured relief to restaurants through 2020. Supporting our local restaurants will help Americans get back to work across the country.
- Workplace Safety Tax Credit Act to establish a temporary, two-year tax credit to help Arizona businesses and nonprofits implement coronavirus infection prevention measures to keep Arizona workers and customers safe. My bill aims to expand the number of small and mid-sized workplaces implementing CDC-recommended measures such as symptom checks, FDA-approved testing, increased cleaning and sanitation, industry-appropriate PPE, and social distancing measures to fight the virus.
- Expanded Employer Retention Tax Credit, to enable more businesses to keep workers on payroll and attached to employment. This will also help relieve some of the burden on state unemployment programs and social services, which will help state and local budgets.
- Flexible Financing for Rural America Act to allow for loan adjustments for critical service providers in rural Arizona. This bill aims to ensure that rural electric and telecommunications cooperatives can continue providing power and broadband services during the coronavirus pandemic.

Strengthening State, Local and Tribal Responses to COVID-19

We also need increased accountability and transparency on how state governors are utilizing such funding. Increased federal funding should come with the commonsense requirement that states spend the testing and contact tracing dollars in a timely and locally responsive way, and follow re-opening guidelines as outlined by the White House and the Centers for Disease Control and Prevention (CDC). I am concerned that states are holding onto funding meant to expand testing and infection-tracking capabilities for purposes other than COVID mitigation. We cannot allow public health dollars to be misused or be mismanaged in a way that rewards states for failing to meet its public health obligations. We must also address the concerns of states who are withholding assistance to localities out of fear that future state stabilization funding won't be replenished.

Throughout the pandemic, I have held weekly calls with Arizona mayors and county leaders who have said flexible aid is critical to helping local governments be responsive to their communities. That is why I support the SMART Act to provide \$500 billion in coronavirus relief to state, local, and Tribal governments, ensuring Arizona communities have the flexibility to use funding for budget support. Direct allocations to smaller Arizona cities and towns is also critical to ensuring an equitable distribution of resources and to prevent unnecessary delays in getting funds to rural communities. Additional and flexible support for states and localities to address both the public health and economic impacts of the virus will be necessary to getting the country back on track. The next package must stabilize state and local governments to avoid massive layoffs, steep tax hikes, and a breakdown of essential services during an ongoing pandemic and economic recession.

An additional path to providing more direct and immediate assistance to local communities in need is to provide support to special districts. Nationwide, there are just under 35,000 special districts, self-governing subdivisions of states, that provide essential public services such as health care, fire protection, and water sanitation. An oversight in the CARES Act left special districts out of the Coronavirus Relief Fund. The Special Districts Provide Essential Services Act would allow special districts to access funds to help address pressing health and public safety needs and I ask for its inclusion in the next assistance package.

Tribal communities in Arizona and throughout the country have been particularly hard hit by the pandemic. Improved access to drinking water and sanitation facilities can play an important role in mitigating the consequences of COVID-19 and enabling tribal communities to recover. To address these needs, I introduced bipartisan legislation (S. 4168) to require the Secretary of Health and Human Services to award additional funding through the Sanitation Facilities Construction Program of the Indian Health Service, and I ask for its inclusion in the next assistance package.

Ensuring Veterans Receive the Care and Benefits They Have Earned

It is critical that we continue to support the veteran community during the COVID-19 pandemic. Since the pandemic began, I have held regular phone calls with veteran serving organizations, the Arizona Department of Veterans Services, and the Department of Veterans Affairs (VA) senior leadership in Arizona. Veteran serving organizations provide critical services to the veteran community, and many are struggling to keep their doors open. State departments of veterans affairs, responsible for operating State Veterans Homes, are struggling with the added costs of staffing and PPE needs. States need more public health dollars to address critical needs for vulnerable veterans. Finally, as the VA adapts its operations to support the growing need of veteran patients with COVID-19, veterans are increasingly frustrated with trying to access health care services while also expressing concerns with delays in processing their benefits claims. These are areas we must continue to support to ensure veterans have access to the health care and benefits they have earned. The following veteran bills should be considered in the next package:

- Homeless Veterans Coronavirus Response Act of 2020 will provide relief and resources to the VA's Homeless Program Office by expanding its authorities to provide food, transportation, and communications technologies to homeless veterans and easing administrative barriers during the coronavirus pandemic. The VA needs broader

flexibility in its supportive programs to ensure it can meet the needs of homeless veterans during the pandemic, who are at greater risk for COVID-19.

- Ensuring Survivors Benefits during COVID-19 Act ensures the VA accounts for underlying, service-connected, health issues that may have contributed to the death of the veteran by coronavirus when granting survivor benefits. It will ease the burden of family members who lose a veteran to COVID-19 by protecting their economic security.

Boosting Economic Relief for Families in Need

Workers and the unemployed in Arizona and across the country are in need of continued and sustained support. Arizona's failure to slow the spread of the virus and our state leaders' disregard for basic preventative measures such as facemasks have greatly harmed local businesses since the state's stay-at-home orders expired in mid-May 2020. Workers are facing great challenges in accessing unemployment insurance (UI) benefits. I support an extension of the enhanced unemployment benefits that were provided for in the CARES Act, and the use of economic stabilizers to ensure federal aid is phased down in a way that is consistent with local employment numbers. I also support more direct household assistance, including more Economic Impact Payments and additional funding for nonprofits that serve Arizona families, veterans, seniors, children, and communities in need. The next package must help child care providers in Arizona and across the country who support working families. Family-friendly tax credits such as the Child Tax Credit and the Earned Income Tax Credit should also be expanded to help households in need. Arizonans are facing financial challenges in the workplace and at home, and the next package must address both.

The following relief proposals should be considered in the next package:

- Coronavirus Housing Counseling Improvement Act to authorize \$700 million in funding for NeighborWorks to support housing counseling services to ensure homeowners and renters have the resources they need to navigate housing options and remain in their homes during the pandemic. The bill also ensures at least 40 percent of overall funding is provided to counseling organizations that serve minority and low-income homeowners and renters.
- Emergency Family Stabilization Act to create an \$800 million fund to increase resources and housing for Arizona children and families experiencing homelessness. The bill helps vulnerable families access safe and stable housing, in addition to supportive educational, financial, and health services.
- Emergency Housing Assistance for Older Adults Act to support affordable housing and increase cleaning, disinfecting, and PPE supplies for Arizona seniors in need during the ongoing coronavirus pandemic.
- Financial Assistance for the U.S. Postal Service to ensure they can weather this crisis and continue to be a critical lifeline for communities across Arizona, and our nation, during this pandemic. Any reduction in postal service would do real harm to my constituents – especially seniors, businesses and rural residents.

Supporting Safe and Smart Learning

We must expand broadband service and invest in our schools and universities facing tough decisions on re-opening safely and smartly. Arizona parents and educators face great uncertainty as classes resume during the ongoing pandemic. Our schools need support to ensure Arizona

students can effectively learn and teachers can continue doing their jobs without fear for their health and safety. I oppose efforts to require schools to bring back in-person instruction as a condition of receiving state or federal education resources. I also:

- Joined with a number of my colleagues in calling for additional funding for the Elementary and Secondary Education Relief Fund in any future coronavirus relief package and to ensure all approved funding to support the Bureau of Indian Education (BIE) Programs during the COVID-19 pandemic are released immediately.
- Joined with a number of my colleagues in calling for additional flexible support for students and institutions of higher learning in the fourth economic relief package.
- Helped introduce the Emergency Educational Connections Act, legislation to provide \$4 billion in federal support for tribal schools and libraries to provide Wi-Fi hotspots, modems, routers, and internet-enabled devices to students, staff, and patrons.

Thank you for considering these critical requests for the next COVID-19 relief and recovery package. My team and I stand ready to assist in any way we can and look forward to working with you to protect the health and economic security of all Americans.

Sincerely,

A handwritten signature in blue ink, appearing to read "Kyrsten Sinema", with a long horizontal flourish extending to the right.

Kyrsten Sinema
United States Senator